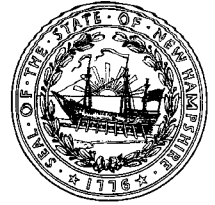




The State of New Hampshire
Department of Environmental Services



Michael P. Nolin
Commissioner

August 9, 2006

LETTER OF DEFICIENCY #WSEB 06-070
Certified Mail #7000-1670-0001-2915-6465

Sheila Finch
Freedom Hill Cooperative
2 Magnolia Drive
Loudon, NH 03307

Subject: Loudon - Public Water System: Freedom Hill Cooperative (EPA #1403030)

Dear Ms. Finch:

The records of the NH Department of Environmental Services (DES) show that Freedom Hill Cooperative is classified as a public water system (PWS), as defined by RSA 485:1-a. A PWS is defined as any water system supplying 15 or more services, or 25 or more people for 60 or more days per year. As such, the water system owner is required to submit samples according to the system's established Master Sampling Schedule to the State laboratory or a State-certified laboratory in compliance with NH Administrative Rules Env-Ws 320 through 330.

The enforceable maximum contaminant level (MCL) for Arsenic is 0.010 mg/L. Compliance with the MCL is determined by the running annual average (RAA). The RAA is defined as the average of sample results collected over the last 12 month period. DES has determined that the most recent RAA for the two sources to be, as follows:

Source: 001 - BRW 1/20' SSW OF PH RAA: 0.016 mg/L

Source: 002 - BRW 2/ 20' SSW of PH RAA: 0.262 mg/L

Source: 503 - Pumphouse/Blend 003 and 004 RAA: 0.044 mg/L

As such, Freedom Hill Cooperative has exceeded the Arsenic MCL and violations of Env-Ws 326.10 have occurred.

DES believes the MCL violation(s) can be corrected and future violations prevented by taking the following actions:

1. **As soon as possible**, but no later than **August 17, 2006**, provide public notice of the violation(s) following the guidelines on the enclosed public notice handout. Continue providing public notice **each calendar quarter** for as long as the violation occurs; and

2. **By August 27**, submit proof of public notice to this office following the guidelines on the enclosed public notice handout; and
3. **By September 11, 2006**, retain the services of a qualified consultant to address the water quality violation(s) and notify DES, in writing, of the name of the consultant hired. The consultant should review all existing water quality data and all feasible options prior to making recommendations to the owner for correcting the MCL violation(s). Guidance on options to correct the MCL violation and the recommended contents of a consultant's report are enclosed; and
4. **By November 9, 2006**, submit to DES the consultant's report, which shall contain the consultant's evaluation of feasible options, cost estimates, identification and justification of which option the owner has selected to implement, along with a timeline and final correction date to resolve the MCL violation(s). A maintenance schedule must be included if treatment is proposed. DES will approve the consultant's report, in writing, and specify the next submission deadline. A consultant's report determined to lack comprehensiveness will not be approved; and
5. **By the submission date established by DES** in the above-mentioned approval letter, submit to DES all engineering/technical documents for the design of the selected option. DES must review and approve, in writing, any engineering/technical documents prior to the commencement of any work on the system. Note that engineering plans for systems serving more than 50 service connections or 20,000 gpd must be stamped by a professional engineer; and
6. **By the DES-approved correction date**, take the corrective action as approved by DES. Notify DES in writing upon completion of the action(s) taken; and
7. Continue to sample in accordance with your Master Sampling Schedule, which includes quarterly sampling for Arsenic.

In the event compliance is not achieved within this period, DES may initiate formal action against you, including issuing an order requiring the deficiencies to be corrected, initiating an administrative fine proceeding, and/or referring the matter to the NH Department of Justice for imposition of appropriate penalties.

**All information as requested above should be addressed as follows
or faxed to (603) 271-5171:**

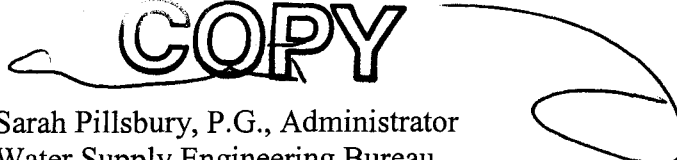
Leah McKenna
Department of Environmental Services
Water Supply Engineering Bureau
29 Hazen Drive, PO Box 95
Concord, NH 03302-0095

Further review of your system's water quality indicates that your system has also had a history of Iron and Manganese detections above the secondary maximum contaminant levels (SMCL) established for these compounds. These are aesthetically based standards; as such compliance with the SMCL is required should consumer complaints arise.

For your information, fact sheets on Arsenic, Iron and Manganese are available at: <http://www.des.state.nh.us/ws.htm>. These include general information, health effects and removal options. Also enclosed is a summary of the expected content of consultant report submittals for your review. Please be reminded that proposed treatment alternatives should take into consideration all water quality parameters as well as current and future quantity needs.

In addition to your operator, assistance may be available to you through a variety of sources. DES staff member Cindy Klevens, P.E. may be able to answer questions concerning treatment for the aforementioned contaminant(s). She may be reached at (603) 271-3108 or via email at cklevens@des.state.nh.us. Also, financial, managerial and technical assistance is available through either of two government funded technical assistance providers. These are Granite State Rural Water Association ((603) 753-4055) and RCAP Solutions, Inc. (1-800-488-1969). Health related questions may be directed to Dave Gordon of the DES Bureau of Environmental and Occupational Health whose number is (603) 271-4608. If you have any questions regarding this letter, please contact Leah McKenna, at (603) 271-0655 or by email at lmckenna@des.state.nh.us.

Sincerely,


COPY
Sarah Pillsbury, P.G., Administrator
Water Supply Engineering Bureau

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Encl Public Notice Form
 Report submittal information sheets

cc w/ encl(s): Henry Deboer , Primary Operator
 Stan Chamberlin, Primary Contact

cc: Gretchen R. Hamel, DES Legal Unit Administrator
 Robert N. Fiske, Town of Loudon Health Officer
 EPA, Region 1
 File

ec: Cindy Klevens , P.E., DES
 Dave Gordon, DES BEOH
 Jack Shields, GSRWA
 Robert Morancy, RCAP Solutions, Inc.